



Global Environment Facility

Summary of Document GEF/C.28/12

Progress Report on Implementing the Resource Allocation Framework

Recommended Council Decision

The Council, having reviewed GEF/C.28/12, *Progress Report on Implementing the Resource Allocation Framework*, takes note of the work being undertaken by the Secretariat and the Implementing and Executing Agencies to ensure the effective implementation of the agreed RAF in GEF-4. The Council welcomes, in particular, the consultations with recipient countries that are being undertaken to assist them in the transition to the RAF and requests the Secretariat and the agencies to provide continuing support and guidance to recipient countries.

The Council requests the Secretariat, in consultation with the agencies, to report to the Council at its meeting in June 2007 further progress achieved in implementing the RAF.

Executive Summary

1. This progress report highlights the steps that the GEF Secretariat and the Implementing and Executing Agencies have taken since November 2005 to fully operationalize the RAF as requested by the Council at its November 2005 meeting. Steps have been taken in three areas: (i) finalize and publicly disclose allocations, (ii) develop a framework for programming country and group allocations and (iii) develop a framework for programming global and regional exclusions.
2. The Secretariat has completed the following steps towards finalizing and publicly disclosing allocations: (i) confirmed initial lists of countries eligible in each of the focal areas based on consultations with the CBD and UNFCCC secretariats for eligibility under article 9(a) and with the World Bank and the UNDP for eligibility under article 9(b); (ii) updated the GEF Performance Index, GPI, and the GEF Benefits Index (GBI) for biodiversity and climate change based on the latest available data. The Secretariat will finalize the indicative allocations for GEF-4 as soon as the GEF-4 replenishment negotiations have been completed and will publicly disclose them based on the public disclosure policies adopted by the Council.
3. Recognizing the enhanced role of recipient country GEF operational focal points, the inter-agency RAF implementation team has finalized and sent to countries the document *Guidelines for Country Operational Focal Points to Manage GEF Resources*. These

guidelines request the GEF Operational Focal Points to facilitate a national consultative process with all relevant stakeholders, and based on these consultations to endorse an initial set of projects for further development and approval in GEF-4. Countries with project concepts that will be ready for approval in the first few work programs of GEF-4 are encouraged to submit their list of projects by September 15, 2006. These guidelines, along with preliminary indicative allocations based on GEF-3 amounts and lists of concepts under development in each country, were sent to operational focal points in April/May 2006. Under the National Dialogue Initiative, the GEF Secretariat and the Implementing and Executing Agencies organized a set of two 2-day sub regional consultations for GEF operational and political focal points together with non-government organizations in Africa in April 2006 to introduce the RAF, to explain how GEF resources will be managed under the RAF and to introduce focal points to the new Country Support Program for focal points (CSP) and seek their feedback on its implementation. Five additional sub-regional workshops are planned between May and September for recipient country GEF operational and political focal points in the remainder of the world.

4. Recognizing that the resources for the global and regional exclusion are limited, the inter-agency RAF implementation team has finalized guidelines for how these resources will be managed in the document *GEF Resource Allocation Framework: Guidelines for programming the Global and Regional Exclusion (GRE)*. The guidelines envision that the CEO will determine the level of support that each project requesting resources from the GRE will get based on well defined set of criteria and a transparent review process as outlined in the guidelines. The inter-agency focal area task forces will regularly monitor the portfolio balance and, if necessary, review the criteria from time to time. The GEF agency implementing the project will have the responsibility of coordinating with the participating countries regarding the appropriate share of resources that will be needed from the country and group allocations.